



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB2594

Introduced 2/18/2005, by Rep. William Delgado

SYNOPSIS AS INTRODUCED:

815 ILCS 513/15
815 ILCS 513/15.1 new
815 ILCS 513/30

Amends the Home Repair and Remodeling Act. Requires a person engaged in the business of home repair and remodeling, that prepares or presents a written offer for home repair and remodeling to a consumer, to advise the consumer before the contract or agreement is accepted and executed of the presence of any contractual provision that requires the consumer to: (i) submit all contract or agreement disputes to binding arbitration in place of a hearing in court before a judge or jury; and (ii) waive his or her right to a trial by jury. Provides that the consumer shall be given the option of accepting or rejecting both the binding arbitration clause and the jury trial waiver clause before the contract or agreement is accepted and executed by the consumer. Provides that failure to advise a consumer of the presence of the binding arbitration clause or the jury trial waiver clause or to secure the necessary acceptance, rejection or consumer signature shall render null and void each clause that has not been accepted or rejected and signed by the consumer. Makes other changes. Effective January 1, 2006

LRB094 08973 RXD 39194 b

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Home Repair and Remodeling Act is amended by
5 changing Sections 15 and 30 and by adding Section 15.1 as
6 follows:

7 (815 ILCS 513/15)

8 Sec. 15. Written contract; costs enumerated requirements;
9 contents. Prior to initiating home repair or remodeling work
10 for over \$1,000, a person engaged in the business of home
11 repair or remodeling shall furnish to the customer for
12 signature a written contract or work order that states the
13 total cost, including parts and materials listed with
14 reasonable particularity and any charge for an estimate. In
15 addition, the contract shall state the business name and
16 address of the person engaged in the business of home repair or
17 remodeling. If the person engaged in the business of home
18 repair or remodeling uses a post office box or mail receiving
19 service or agent to receive home repair or remodeling business
20 correspondence, the contract also shall state the residence
21 address of the person engaged in the business of home repair or
22 remodeling.

23 (Source: P.A. 91-230, eff. 1-1-00.)

24 (815 ILCS 513/15.1 new)

25 Sec. 15.1. Notice of contractual provisions.

26 (a) A person engaged in the business of home repair and
27 remodeling, that prepares or presents a written offer for home
28 repair and remodeling to a consumer, shall advise the consumer,
29 before the contract or agreement is accepted and executed, of
30 the presence of any contractual provision that requires the
31 consumer to: (i) submit all contract or agreement disputes to

1 binding arbitration in place of a hearing in court before a
2 judge or jury; and (ii) waive his or her right to a trial by
3 jury.

4 (b) The consumer shall be given the option of accepting or
5 rejecting both the binding arbitration clause and the jury
6 trial waiver clause before the contract or agreement is
7 accepted and executed by the consumer. If the consumer rejects
8 either the binding arbitration clause or the jury trial waiver
9 clause, or rejects both clauses, it shall be viewed as a
10 counter offer to proceed with the proposed contract or
11 agreement without the clause or clauses rejected. Proof that
12 the consumer was given the option of accepting or rejecting
13 both the binding arbitration clause and the jury trial waiver
14 clause shall be demonstrated by having the consumer sign his or
15 her name and write the word "accept" or "reject" in the margin
16 next to each of the above clauses where it appears in the
17 executed contract or agreement.

18 (c) Failure to advise a consumer of the presence of the
19 binding arbitration clause or the jury trial waiver clause or
20 to secure the necessary acceptance, rejection or consumer
21 signature as provided in this Section shall render null and
22 void each clause that has not been accepted or rejected and
23 signed by the consumer.

24 (815 ILCS 513/30)

25 Sec. 30. Unlawful acts. It is unlawful for any person
26 engaged in the business of home repairs and remodeling to
27 remodel or make repairs or charge for remodeling or repair work
28 before obtaining a signed contract or work order over \$1,000
29 and before notifying and securing the signed acceptance or
30 rejection, by the consumer, of the binding arbitration clause
31 and the jury trial waiver clause as required in Section 15 and
32 Section 15.1 of this Act. This conduct is unlawful but is not
33 exclusive nor meant to limit other kinds of methods, acts, or
34 practices that may be unfair or deceptive.

35 (Source: P.A. 91-230, eff. 1-1-00.)

1 Section 99. Effective date. This Act takes effect January
2 1, 2006.